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PACIFIC AND WESTERN LIVESTOCK AND MEAT TRADE REVIEW

SAN FRANCISCO - JUNE 25, 1948 (USDA): After an opening flurry of strong to higher prices the trade on slaughter cattle, calves and lambs settled into a downward trend. Hogs advanced sharply at the opening of the week and held the gain at most markets. For the Pacific and Western area in general late prices on slaughter steers and heifers were weak to 50¢ below the close of last week, while cows declined 50¢ to as much as \$1.50. The high-Medium and Good beef cows showed the least loss, while Canner, Cutter and Common cows averaged fully \$1.00 lower. Weighty slaughter calves were more plentiful and dropped \$1.00 to \$2.00, while vealers shared much of this decline. Slaughter lambs which advanced to new highs on early days lost the upturn in later trade and closed about in line with a week ago.

Depressing factors in the live markets were larger receipts at some of the markets, particularly Los Angeles which had generous seasonal runs, and the actual development of price resistance in wholesale meat trading. The weather turned hot and consumers reduced their purchases of fresh meats. As a result supplies tended to back-up in coolers. Wholesale prices did not change much but a smaller movement along with current slaughter caused supplies to build up. There was some trimming of prices near the week end and the slower movement caused wholesalers to take a heavier shrink. It appeared on late days that supplies were the largest they have been in several weeks. This reversal of trend was not limited to the Western area, but followed somewhat the lowering of prices that appeared in mid-western and east coast wholesale markets the previous week.

While slaughter cattle prices were showing the mid-week decline there was little if any slackening of demand for replacement cattle and lambs. In this connection some logical trade views developed over the marketing of weighty calves for slaughter - the view being that many of the well bred 300 to 500 pound calves might profitably be retained on farms and ranches and be marketed next year or later as cattle. Scattered reports indicate some contracting of cattle over the western and intermountain region. A small volume of grass fat steers have been purchased at \$29.00 to \$30.00 for early delivery, while some contracts of stocker and feeder cattle and calves are reported from \$23.00 to \$27.00 fall delivery, others of two-and-three-year old steers, feeders and fats for September and October delivery ranging from \$25.00 to \$29.00. Current purchases of stocker and feeder steers in the West is at \$25.00 to \$29.00 on Medium and Good steers, with a few fleshy feeders up to \$29.50 and above. Good and Choice feeder lambs this week brought \$26.00 to \$27.00 with some to \$27.50 on the South San Francisco market, indications being that similar prices were obtainable over some sections of the state.

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